

\*\*\* THIS DOCUMENT IS CURRENT THROUGH THE JANUARY 2004 REVISIONS \*\*\*

TITLE 16. CONSUMERS, COMMERCIAL PRACTICES, & CIVIL INFRACTIONS

**CHAPTER 10. SECONDHAND DEALERS AND JUNK DEALERS**

CDCR 16-1000 (2004)

**16-1000. CLASSES OF DEALERS**

1000.1 Dealers in secondhand personal property in the District of Columbia shall be designated in classes, as set forth in this section.

1000.2 A Class A secondhand dealer shall be a person, firm or corporation, other than a Class B or a Class C secondhand dealer, engaged in the business of buying, selling, trading, exchanging or dealing in secondhand personal property of any description (other than motor vehicles), including the return or unused portion of any railroad ticket, order or token.

1000.3 A Class B secondhand dealer shall be a person, firm or corporation primarily engaged in the sale of new merchandise, and incidentally engaged in selling, trading, exchanging or dealing in secondhand personal property of any description (other than motor vehicles) as the result of having received that secondhand personal property in trade, or by repossession or as part payment for new merchandise.

1000.4 No Class B secondhand dealer shall engage in the business of dealing in used personal property except as an incident to the sale of other merchandise.

1000.5 A Class C secondhand dealer shall be a charitable organization, as defined in § 501(c)(3) of the Internal Revenue Code of 1954, which purchases or receives secondhand personal property (other than motor vehicles) for the purpose of resale; or a person, firm, or corporation which purchases or receives secondhand personal property of any description (other than motor vehicles) on consignment for the purpose of resale.

AUTHORITY: Unless otherwise noted, the authority for this chapter is a Joint Resolution to regulate licenses to proprietors of theatres in the city of Washington, District of Columbia, and for other purposes, approved February 26, 1892.

CDCR 16-1001 (2004)

**16-1001. BOOKS AND RECORDS**

1001.1 Each junk dealer, Class A secondhand dealer, and Class C secondhand dealer shall keep at the dealer's place of business a book or books, in which the dealer shall record an accurate account of each transaction in the course of the business (except as to the purchase of rags, bones, old iron, and paper by junk dealers).

1001.2 The account of the transaction shall be legibly written in English at the time of the transaction and numbered consecutively.

1001.3 All records made pursuant to this section shall be maintained by the dealer at the dealer's place of business for a period of not less than one (1) year after the date the property is sold or disposed of in any manner.

1001.4 The account of each transaction shall set forth the following:

(a) An accurate and complete description of the goods, article, or thing purchased or received on account of money paid for it, giving all numbers, marks, monograms, trade marks, and manufacturer's names and any other marks of identification appearing on the item at the time of receiving the item;

(b) The name, residence, race, and sex of the person selling or delivering the item;

(c) The terms and conditions of the purchase, or receipt of the item;

(d) The place and date of the transaction;

(e) All other information contained in at least one (1) type of identification provided by the seller or person delivering the item; and

(f) All other facts and circumstances respecting the purchase or receipt.

1001.5 A dealer in secondhand personal property shall securely fasten on any article purchased or received, for which records must be kept pursuant to this section, a tag to be prescribed by the Mayor.

1001.6 The dealer shall legibly write in English on the tag, the date of purchase or receipt of the article and a number corresponding with the property on the dealer's book.

1001.7 The tag shall remain on the property until such time as the property is sold or disposed of by the dealer.

CDCR 16-1002 (2004)

## **16-1002. DEALERS RECEIVING JEWELRY OR PRECIOUS METALS**

1002.1 In addition to the requirements of § 1001, a dealer purchasing or otherwise acquiring any article of jewelry or other article composed of or manufactured in whole or in significant part of a precious metal, including gold, silver, or platinum or derivatives or alloys of gold, silver, or platinum shall do the following:

(a) Require and inspect two (2) types of identification from the seller or person delivering the property, one (1) of which must display a photograph of the person;

(b) Record in the dealer's account of the transaction all pertinent information, including the person's date of birth, license number, social security number, height, weight, hair color, and eye color, to the extent contained in the identification provided by the seller or person delivering the property; and

(c) Pay for the articles only by check, the number and account of which are to be recorded in the dealer's book.

1002.2 The dealer may cash the check issued under § 1002.1(c) if the following conditions are met:

(a) The check is made payable to the seller;

(b) The seller endorses the check; and

(c) The dealer retains the check for a period of at least one (1) year from the date of the transaction.

1002.3 Except as provided in § 1002.4, no dealer shall sell, dispose of in any manner, melt, vulcanize, or otherwise change or destroy the identity of any article of secondhand personal property purchased or taken in the course of this business until after the expiration of fifteen (15) calendar days from the time at which report has been made to the Chief of Police of the purchase or receipt of the property.

1002.4 In the case of any article of jewelry or other thing composed of or manufactured in whole or in significant part of a precious metal, as defined in § 1002.1, which does not have a serial number visible on the exterior surface when received by the dealer, the article shall not be sold, disposed of in any manner, melted, taken apart, or any identification marks appearing on the article obliterated until after the expiration of thirty (30) calendar days from the time at which a report has been made to the Chief of Police concerning the purchase or receipt of the property.

1002.5 Property being held under § 1002.3 or 1002.4 shall be kept in the dealer's place of business and shall be kept separate and distinct from all other property or merchandise in the dealer's place of business.

1002.6 No junk dealer, Class A dealer, or Class C dealer in secondhand personal property shall purchase any piece or mass of melted precious metal, as defined in § 1002.1, ingot of amateur manufacture, or any article with serial numbers or jeweler's marks obliterated unless payment for the article is withheld for a period of twenty-four (24) hours and the Chief of Police is notified twenty-four (24) hours prior to the transaction of the pertinent information required under § 1001.

CDCR 16-1003 (2004)

### **16-1003. OTHER RESTRICTIONS AND REQUIREMENTS**

1003.1 A Class C secondhand dealer who purchases or receives secondhand personal property on consignment must pay only in the form of check and only after at least sixty (60) days from the date on which the property is received.

1003.2 No junk dealer, Class A, or Class C secondhand dealer shall purchase or receive any article of secondhand personal property from a minor unless the minor's parent or legal guardian is physically present during the transaction, consents in writing to the transaction, and presents the identification required in this chapter.

1003.3 Nothing in § 1001, § 1002, or this section shall apply to any of the following:

- (a) The purchase or receipt of books, except any books having a value of forty dollars (\$ 40) or more, or set of books having a value of one hundred and fifty dollars (\$ 150) or more;
- (b) The receipt of articles of secondhand personal property which are received as donations by Class C dealers;
- (c) The purchase or receipt of articles of secondhand personal property by Class C secondhand dealers, except the purchase or receipt of items listed in § 1003.7.
- (d) The purchase or receipt of articles of secondhand personal property from the United States or District of Columbia governments; or
- (e) Except as otherwise provided by § 1013, the purchase or receipt of bona fide coins or stamps issued by or for a government.

1003.4 Junk dealers, Class A, and Class C dealers shall be exempt from the provisions of § 1002 if purchasing or receiving articles of secondhand personal property from a licensed auctioneer.

1003.5 A Class C secondhand dealer operating to any extent on a consignment basis, must submit an annual report to the Chief of Police which verifies the consignment purchase conditions.

1003.6 A Class C secondhand dealer which is a charitable, nonprofit organization, as defined in § 501(c)(3) of the Internal Revenue Code of 1954, shall submit an annual report to the Chief of Police which verifies that status.

1003.7 Each junk dealer and each Class A and Class C dealer in secondhand and personal property shall secure the name and address of the person purchasing or otherwise acquiring any of the following items:

- (a) Binoculars;
- (b) Cameras;
- (c) Firearms;
- (d) Furs;
- (e) Household appliances;

(f) Jewelry, or other items composed of or manufactured in whole or in significant part of a precious metal, as defined in § 1002.1;

(g) Musical instruments;

(h) Office machines and equipment;

(i) Radios and television sets;

(j) Watches; and

(k) Any item other than those listed in this subsection, having a retail sales value of one hundred dollars (\$ 100) or more.

1003.8 All records made under § 1003.7 shall be maintained by the dealer at the dealer's place of business for a period of not less than one (1) year after the date the property is sold or disposed of in any manner.

#### CDCR 16-1004 (2004)

### **16-1004. REPORTS TO POLICE**

1004.1 Each junk dealer and Class A dealer in secondhand personal property shall each day, except Sunday, before the hour of eleven o'clock in the forenoon (11:00 a.m.), deliver to the Chief of Police, or the Chief's representative, on blank forms to be prescribed by the Mayor, a legible and correct transcript from the books provided for in § 1001, 1002, and 1003 showing an accurate and complete description of every article or thing received by that dealer and giving all numbers, marks, monograms, trade marks and manufacturer's names, and other marks of identification appearing on the same, on the business day next preceding.

1004.2 The provisions of § 1004.1 shall not apply to purchase of rags, bones, old iron and paper by junk dealers and Class A dealers in secondhand and personal property of which no record is required by this chapter to be kept.

1004.3 Class C secondhand dealers shall be exempt from the requirement of § 1004 except as to the purchase or receipt of those items listed in § 103.7.

#### CDCR 16-1005 (2004)

### **16-1005. COOPERATION WITH POLICE INVESTIGATIONS**

1005.1 It shall be the duty of every junk dealer, and every class of dealer in secondhand personal property, and of every person in a dealer's employ, to admit to the premises during business hours any member of the Metropolitan Police Force to examine any book or other record on the premises, as well as the articles purchased or received, and to search for and take possession of any article known by the police officer or official to be missing or known or believed by him or her to have been stolen, without the formality of the writ of search warrant of any other process. The foregoing search or seizure is specifically authorized by this section.

1005.2 It shall be a violation of the provisions of this chapter for any licensed junk dealer, or any class of dealer in secondhand personal property, or any agent, clerk, or employee of any such person who shall molest, hinder, or in any manner prevent any official lawfully authorized, or the Chief of Police, or any member of the police force who is so authorized, from making an inspection and search of the premises and taking into possession any article or articles known by the officer, or alleged or supposed to have been feloniously taken from the owner or possessor, or known or believed by the police official to have been stolen.

#### CDCR 16-1006 (2004)

## **16-1006. DEALER'S LICENSE**

1006.1 Each junk dealer or Class A dealer, or Class C dealer in secondhand personal property shall make application to the Mayor annually for license to conduct that business.

1006.2 The application shall be sent to the Chief of Police for a report on the character of the applicant.

1006.3 Each application for a junk shop license shall be sent to the Commissioner of Public Health for a report on the surroundings where the business will be conducted.

1006.4 Each application for a junk shop license where rags and similar fabrics are to be handled shall be sent to the Commissioner of Public Health and to the Fire Marshal for reports on the surroundings where the business is to be conducted.

1006.5 The completed report(s) shall be sent to the Mayor for action.

1006.6 Each applicant shall have three (3) sets of fingerprints taken by the Metropolitan Police Department. Fingerprints so furnished shall become a part of the application.

1006.7 All of the partners in the case of a partnership, and the president, vice president, secretary, and treasurer of a corporation shall be required to comply with the provisions of § 1006.6. Fingerprints so taken shall be submitted to the Federal Bureau of Investigation, and to such other and further authorities as the Chief of Police may deem advisable, for comparison and record.

1006.8 Any of the persons listed in § 1006.6 and 1006.7 who is not a legal resident of the District shall have his or her fingerprints taken by the Metropolitan Police Department or by the police department or comparable authority where he or she is a resident. Fingerprints, when taken by other than the Metropolitan Police Department, shall be attached to and accompanied by an affidavit of the authority taking the fingerprints which states that the fingerprints are the fingerprints of the applicant.

CDCR 16-1007 (2004)

## **16-1007. DENIAL OR REVOCATION OF LICENSE**

1007.1 The Mayor may deny a license to any person who by advertisement of any kind offers to purchase as a dealer any secondhand personal property without actually being so licensed.

1007.2 The Mayor shall deny a license to any person who fails to set forth on his or her application for a license a fixed place of business within the District of Columbia or who has been convicted of a felony with connection with the operation of a secondhand dealer business within the preceding ten (10) years from the date of application.

1007.3 Any license granted under this section may be revoked by the Mayor after a hearing to be conducted by a board appointed by the Mayor, if it appears that the place of business is used for the disposal of stolen goods or is conducted in such a way as to make it a menace to the health or welfare of the neighborhood.

1007.4 Notice shall be given the licensee of the time and place of hearing, and the dealer shall be entitled to be present with counsel and witnesses.

1007.5 The Board shall make a report of the hearing, with its advice upon the case to the Mayor for action.

CDCR 16-1008 (2004)

#### **16-1008. CLASS B DEALER REQUIREMENTS AND RESTRICTIONS**

1008.1 It shall be unlawful for any person, firm or corporation primarily engaged in the business of dealing in new personal property in the District of Columbia to accept used personal property, other than motor vehicles, in trade or part payment for any merchandise without first obtaining a Class B secondhand dealer's license.

1008.2 Each Class B secondhand dealer shall keep at his or her place of business a record of each transaction involving used personal property setting forth the following:

- (a) An accurate and complete description of the goods, article, or thing received in trade or part payment for other merchandise;
- (b) The date of receipt;
- (c) The name, sex, color, and address of the person from whom acquired; and
- (d) The name and address of the person, corporation, or firm which ultimately purchases or receives the property from the dealer.

1008.3 Whenever any secondhand personal property so acquired is to be sold at retail, is to be sent out of the District of Columbia, or is to be retained by the licensee for the licensee's own use, the licensee shall, not less than fifteen (15) days prior to selling the property, removing it from the District of Columbia, or using the property for personal purposes, deliver to the Chief of Police, on blank forms prescribed by the Mayors, a legible and correct transcript from the record required under this section relating to the property to be sold at retail, removed from the District of Columbia, or retained for use by the licensee.

1008.4 All used personal property covered by this section shall be kept separate and distinct from other merchandise, and its character or identify shall not be changed or destroyed until after the expiration of fifteen (15) days from the time the required report has been made to the Chief of Police.

CDCR 16-1009 (2004)

#### **16-1009. PROPERTY LEFT FOR REPAIR**

1009.1 Each junk dealer and dealer of any class in secondhand personal property shall keep at the dealer's place of business a book or books, in which shall be legibly written in English and numbered consecutively, an account with respect to any personal property which is listed in § 1003.7 and which is left for repair.

1009.2 The account shall contain the information required by § 1001.4.

1009.3 If the property is sold, or converted to the dealer's own use to redeem the cost of the repair, the dealer shall record the date of the sale or conversion and the name and address of the person, firm, or corporation ultimately receiving the property from the dealer.

CDCR 16-1010 (2004)

#### **16-1010. SEIZURE OR DETENTION OF PROPERTY BY POLICE OFFICERS**

1010.1 Any member of the Metropolitan Police Department may take possession of any article of secondhand personal property in the possession of a dealer which he or she knows to be missing, or knows or has probable cause to believe to be stolen.

1010.2 Upon taking possession of the article, the member shall furnish the dealer with a receipt which shall include the date, name of the member taking the article, the member's rank, and a description of the article taken.

1010.3 Any article taken by a member from a dealer shall, as soon as possible, be delivered to the Property Clerk of the Metropolitan Police Department where it shall remain until such time as ownership or the right of possession, or both, have been determined according to law.

1010.4 The Property Clerk of the Metropolitan Police Department shall notify the dealer in writing of any disposition of the property. The notice shall include the date of disposition and the name of the person receiving the property.

1010.5 In lieu of taking possession of secondhand personal property pursuant to this section, a member of the Metropolitan Police Department may place a temporary detainer on the property for a period not to exceed sixty (60) calendar days from the date that the written notice of the detainer is issued to the dealer.

1010.6 During the period of detention, the property shall remain in the custody of the dealer and the dealer shall be prohibited from selling, disposing of in any manner, or changing the identity of the property.

1010.7 During the period of detention, the dealer shall keep the detained property separate and distinct from all other property in the dealer's place of business.

CDCR 16-1011 (2004)

#### **16-1011. PUBLIC EXHIBITS AND SHOWS**

1011.1 Any dealer not already licensed under this chapter conducting or participating in a public exhibit or show of secondhand personal property to be held in the District of Columbia shall obtain a temporary permit from the Mayor at least sixty (60) calendar days in advance of the show or exhibition.

1011.2 Each dealer participating in the show or exhibition shall provide the Chief of Police with a list of all merchandise or property which is to be exhibited or offered for sale at the show or exhibition.

1011.3 The list shall be provided to the Chief of Police at least seven (7) calendar days prior to the date of the show of exhibition.

CDCR 16-1012 (2004)

#### **16-1012. EXEMPT TRANSACTIONS**

1012.1 The chapter shall not apply to transactions involving the sale or purchase of any of the following:

- (a) Coins that change substantially in relation to the precious metal content of those coins;
- (b) Medallion form bullion; or
- (c) Bullion with a recognizable hallmark, fineness stamp, and weight delineation.

CDCR 16-1013 (2004)

#### **16-1013. ENFORCEMENT AND PENALTIES**

1013.1 The Mayor may suspend the license of any secondhand dealer in personal property if that person has been convicted of three (3) or more crimes in connection with the operation of a secondhand dealer business within any two (2) year period.

1013.2 The Mayor may revoke the license of any secondhand dealer convicted of a felony in connection with the operation of a secondhand dealer business.

1013.3 Each licensed junk dealer and every class dealer in secondhand personal property shall be liable to all the penalties provided for violation of any of the provisions of this chapter, whether the violations are committed by the licensee or the licensee's agent, clerk, or employee.

1013.4 Any person violating § 1002.1, 1002.2, 1002.4, 1002.6, or 1003.1 shall, upon conviction, be imprisoned for not more than ninety (90) days or fined not more than one thousand dollars (\$ 1,000), or both.

1013.5 Any person violating any provision of this chapter for which a specific penalty is not provided shall, upon conviction, be punished by a fine of not more than three hundred dollars (\$ 300).